

ECONOMIC DEVELOPMENT AUTHORITY[261]

Notice of Intended Action

Proposing rule making related to Hoover presidential library tax credit and providing an opportunity for public comment

The Economic Development Authority hereby proposes to adopt Chapter 43, “Hoover Presidential Library Tax Credit,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is proposed under the authority provided in Iowa Code section 15.106A and 2021 Iowa Acts, House File 588.

State or Federal Law Implemented

This rule making implements, in whole or in part, 2021 Iowa Acts, House File 588.

Purpose and Summary

Pursuant to 2021 Iowa Acts, House File 588, the Authority will develop a system for authorization of tax credits and will control the distribution of tax credits for donations to the Hoover Presidential Library Foundation for its library and museum renovation project fund.

The tax credit created by House File 588 is allowed against specific taxes for tax years beginning on or after January 1, 2021, but before January 1, 2024. The aggregate amount of tax credits authorized is \$5 million.

These proposed rules implement the legislation.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Authority for a waiver of the discretionary provisions, if any, pursuant to 261—Chapter 199.

Public Comment

Any interested person may submit written or oral comments concerning this proposed rule making. Written or oral comments in response to this rule making must be received by the Authority no later than 4:30 p.m. on October 12, 2021. Comments should be directed to:

Lisa Connell
Iowa Economic Development Authority
1963 Bell Avenue, Suite 200
Des Moines, Iowa 50315
Phone: 515.348.6163
Email: lisa.connell@iowaeda.com

Public Hearing

No public hearing is scheduled at this time. As provided in Iowa Code section 17A.4(1)“b,” an oral presentation regarding this rule making may be demanded by 25 interested persons, a governmental subdivision, the Administrative Rules Review Committee, an agency, or an association having 25 or more members.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee’s meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making action is proposed:

Adopt the following **new** 261—Chapter 43:

CHAPTER 43 HOOVER PRESIDENTIAL LIBRARY TAX CREDIT

261—43.1(15E) Purpose. The purpose of the Hoover presidential library tax credit is to encourage donations to the Hoover presidential foundation for the Hoover presidential library and museum renovation project.

261—43.2(15E) Definitions.

“*Authority*” means the economic development authority created in Iowa Code section 15.105.

“*Department*” means the Iowa department of revenue.

“*Donor*” means a person who makes an unconditional charitable donation to the Hoover presidential foundation for the Hoover presidential library and museum renovation project fund.

“*Tax credit*” means the amount a taxpayer may claim against the taxes imposed in Iowa Code chapter 422, subchapters II, III, and V, and in Iowa Code chapter 432, and against the moneys and credits tax imposed in Iowa Code section 533.329.

261—43.3(15E) Authorization of tax credits.

43.3(1) For tax years beginning on or after January 1, 2021, but before January 1, 2024, a tax credit shall be allowed against the taxes imposed in Iowa Code chapter 422, subchapters II, III, and V, and in Iowa Code chapter 432, and against the moneys and credits tax imposed in Iowa Code section 533.329, equal to 25 percent of a donor’s charitable donation made on or after July 1, 2021, to the Hoover presidential foundation for the Hoover presidential library and museum renovation project fund.

43.3(2) A donor shall not claim a tax credit for a donation made during a tax year beginning before January 1, 2021, or after December 31, 2023.

43.3(3) To receive the tax credit, a donor shall file a claim with the department in accordance with any applicable administrative rules adopted by the department.

261—43.4(15E) Tax credit limitations.

43.4(1) The aggregate amount of tax credits authorized for the program shall not exceed a total of \$5 million.

43.4(2) The maximum amount of tax credits granted to any one person shall not exceed \$250,000.

43.4(3) Ten percent of the aggregate amount of tax credits authorized, or \$500,000, shall be reserved for those donations in amounts of \$30,000 or less. If any portion of the reserved tax credits has not been distributed by September 1, 2023, the remaining reserved tax credits shall be available after September 1, 2023, to any other eligible person.

261—43.5(15E) Distribution process and review criteria.

43.5(1) The authority shall develop and make available a standardized application pertaining to the authorization and distribution of tax credits. The application shall request information to document that a qualified donation has been made, and any other information required by the authority. Qualifying donors shall be issued a tax credit certificate to be included with the donor's Iowa tax return.

43.5(2) Applications will be accepted and awarded on an ongoing basis.

43.5(3) If, before September 1, 2023, the authority receives tax credit applications in excess of \$4.5 million for donations greater than \$30,000, the authority shall establish a waitlist to receive any portion of the reserved tax credits that are not distributed by September 1, 2023. Applications on the waitlist shall be prioritized by the date the authority received the applications. If any portion of the reserved tax credits under subrule 43.4(3) becomes available after September 1, 2023, the authority shall approve the waitlisted applications and issue tax credit certificates in the order they are listed on the waitlist, up to the amount of the remaining reserved tax credits. Placement on a waitlist does not constitute a promise binding the state that persons placed on the waitlist will actually receive a tax credit in a future year. The availability of a tax credit and approval of a tax credit application in a future year is contingent upon the availability of tax credits in that particular year.

These rules are intended to implement Iowa Code section 15E.364 as enacted by 2021 Iowa Acts, House File 588.